

Message Text

LIMITED OFFICIAL USE

PAGE 01 ATHENS 04114 300720Z

71

ACTION EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 CAB-02 CIAE-00 COME-00

DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 LAB-04 SIL-01

OC-05 CCO-00 PM-04 H-02 L-03 NSC-05 PA-01 PRS-01

SP-02 SS-15 USIA-06 TRSE-00 OMB-01 /092 W

----- 092219

R 291405Z APR 76

FM AMEMBASSY ATHENS

TO SECSTATE WASHDC 3978

INFO AMEMBASSY ROME

AMEMBASSY GENEVA

AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE ATHENS 4114

ROME FOR RCAA; BRUSSELS FOR FAA

EO 11652: NA

TAGS: EAIR ELAB GR

SUBJECT: STRIKE OF FOREIGN AIRLINE GROUND EMPLOYEES

REF: A. ATHENS 4023; B. ATHENS 3236

1. LOCAL TWA MANAGER CHARLES SYKES VISITED THE EMBASSY YESTERDAY IN CONNECTION WITH SUBJECT STRIKE. ACCORDING TO SYKES, THE ORIGINAL BARGAINING POSITIONS OF THE TWO SIDES PRIOR TO THE PREVIOUS STRIKE, WERE THAT THE UNION DEMANDED A 28 PERCENT RATE INCREASE AND THE AIRLINES WERE WILLING TO GRANT A 12 PERCENT INCREASE. AFTER NEGOTIATION

THE AIRLINES WERE WILLING TO GRANT 15 PERCENT, THE UNIONS DROPPED THEIR DEMANDS TO 26 PERCENT. THIS IS HOW MATTERS STOOD WHEN THE PREVIOUS STRIKE BEGAN (APRIL 5-9, REFTEL B). SINCE NO RESOLUTION OF THIS GAP SEEMED LIKELY AT TALKS HELD DURING THE STRIKE, THE AIRLINES WENT TO ARBITRATION. THE ARBITRATION COURT CAME UP WITH A FORMULA GRANTING DIFFERENT RATES OF INCREASE TO DIFFERENT INCOME GROUPS. THE TOTAL PAYROLL COST OF THIS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ATHENS 04114 300720Z

ARRANGEMENT TO THE AIRLINES WOULD BE THE EQUIVALENT OF A 16.2

PERCENT INCREASE.

2. DURING THE TIME THAT THIS MATTER WAS STILL UNDER ARBITRATION, SWISSAIR GRANTED AN INCREASE TO ITS EMPLOYEES WHICH, AT LEAST TO TWA, WOULD REPRESENT AN INCREASE IN PAYROLL COST OF 18 PERCENT. SWISSAIR IS NOT A MEMBER OF THE ASSOCIATION OF FOREIGN AIRLINE OPERATORS, WHICH IS THE BARGAINING UNIT INVOLVED IN THE STRIKE. HOWEVER, ACCORDING TO MR SYKES, THE SWISSAIR SETTLEMENT HAS ENCOURAGED THE UNIONS TO PRESS FOR RATES HIGHER THAN THE 16.2 PERCENT AVERAGE AWARDED BY ARBITRATION. SINCE THE UNIONS COULD NOT OSTENSIBLY STRIKE FOR WAGES FOLLOWING ARBITRATION, THEY HAVE PUBLICLY ANNOUNCED THAT THE CURRENT STRIKE IS BASED ON OTHER ISSUES. AMONG THEIR DEMANDS ARE (A) INCREASED HIRING TO REDUCE WORK-LOAD, (B) PAYMENT OF CERTAIN OVERTIME (TWA IS NOT AFFECTED BY THIS PARTICULAR DEMAND), (C) PAY FOR PERIOD OF LAST STRIKE. MR SYKES COMMENTED THAT TWA WOULD RATHER STOP OPERATIONS COMPLETELY THAN TO GIVE IN TO THIS LAST DEMAND, BUT BELIEVES THAT THE UNION WOULD RATHER SETTLE FOR A WAGE INCREASE ANYWAY.

3. THE REASON FOR MR. SYKES CALL WAS NOT ONLY TO GIVE THE BACKGROUND OF THE PRESENT STRIKE, BUT ALSO TO CONVEY TO THE EMBASSY HIS FEELING THAT THE EMPLOYEES OF FOREIGN COMPANIES APPEAR TO BE RECEIVING, WITH THE APPROVAL OF THE MINISTRY OF LABOR, PAY INCREASES LARGER THAN THE PAY INCREASES BEING RECEIVED BY LOCAL COMPANIES. HE MENTIONED IN PARTICULAR THE PAY INCREASES RECENTLY RECEIVED BY EMPLOYEES OF THE PUBLIC POWER CORPORATION, TELEPHONE AND TELEGRAPH, AND BANKS, WHICH HE ASSERTED WERE CONSIDERABLY LESS THAN 16.2 PERCENT. HE MAINTAINED THAT TWA AND OTHER FOREIGN AIRLINES PAY DECENT AND COMPATIBLE WAGE RATES WHICH HAVE ENTIRELY KEPT UP WITH COST OF LIVING INCREASES.

4. COMMENT: SINCE THE DOMESTIC PAY INCREASES REFERRED TO ABOVE WERE GRANTED ACCORDING TO A FORMULA GIVING DIFFERENT WAGE INCREASES TO DIFFERENT SALARY GROUPS, IT WOULD BE DIFFICULT TO VERIFY MR SYKES ASSERTION WITHOUT ACCESS TO ACTUAL PAYROLL DATA. A ROUGH ESTIMATE IS THAT 16.2 PERCENT IS ONLY SLIGHTLY HIGHER THAN THE AVERAGE INCREASES GRANTED TO EMPLOYEES OF THOSE DOMESTIC ORGANIZATIONS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ATHENS 04114 300720Z

STEARNS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, PERSONNEL, AIRLINES, LABOR STRIKES, FOREIGN WORKERS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ATHENS04114
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760166-0043
From: ATHENS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976049/aaaaahby.tel
Line Count: 108
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ATHENS 4023, 76 ATHENS 3236
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 31 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31 MAR 2004 by ShawDG>; APPROVED <31 MAR 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: STRIKE OF FOREIGN AIRLINE GROUND EMPLOYEES
TAGS: EAIR, ELAB, GR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006